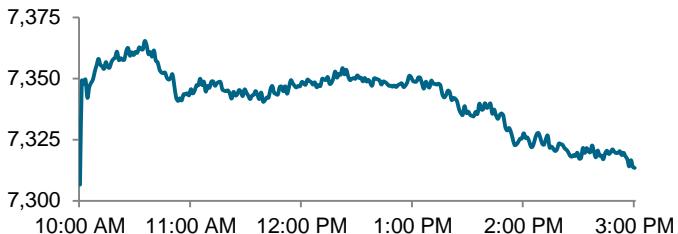


DAILY MARKETS OVERVIEW

JULY 16, 2017

TASI Intraday



Source: Reuters

Saudi Stock Indices

| Index | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|--------------------------------|------------|---------|-------|-------|----------|
| Saudi (TASI) | 7,313 | 0.1 | 1.5 | 1.4 | 17.3 |
| Saudi (NOMU) | 3,596 | -1.3 | -2.0 | NA | NA |
| Energy | 4,304 | -0.2 | 0.5 | -13.5 | 13.8 |
| Materials | 4,841 | -0.6 | -0.2 | -2.8 | 17.9 |
| Capital Goods | 4,150 | -0.2 | -0.1 | -16.8 | 34.5 |
| Com. & Prof. Svc | 4,222 | 2.2 | 1.1 | -16.3 | 33.5 |
| Transportation | 3,876 | 0.6 | 1.9 | -24.0 | 12.1 |
| Cons. Durables & Apparel | 4,408 | -0.2 | 0.9 | -5.1 | NA |
| Consumer Services | 4,294 | 1.5 | 1.5 | -11.1 | 11.5 |
| Media | 6,252 | 9.1 | 27.0 | 22.1 | NA |
| Retailing | 6,161 | -0.8 | 6.1 | 25.5 | 24.2 |
| Food & Staples Retailing | 5,761 | 1.1 | 6.0 | 14.0 | 24.5 |
| Food & Beverages | 5,783 | 0.0 | 3.7 | 18.0 | NA |
| Health Care Equipment | 5,024 | -0.7 | 4.0 | 0.1 | 21.4 |
| Pharma, Biotech & Life Science | 4,565 | -1.0 | -0.1 | -15.2 | 11.4 |
| Banks | 5,379 | 0.8 | 3.3 | 5.8 | 11.4 |
| Diversified Financials | 4,434 | 0.2 | 1.0 | -11.1 | NA |
| Insurance | 5,053 | 0.2 | 2.5 | 2.9 | 18.0 |
| Telecommunication | 4,928 | 0.0 | 0.4 | -1.5 | 17.1 |
| Utilities | 5,167 | 0.1 | -0.9 | 6.3 | 12.2 |
| REITs | 5,472 | -0.5 | 0.0 | 9.4 | 17.4 |
| Real Estate | 4,783 | -0.3 | -2.6 | -4.7 | 47.3 |

Sources: Bloomberg, Reuters

Top 5 Gainers

| Company | Last Close | % Change | Value (SAR mn) |
|---|------------|----------|----------------|
| Saudi Research and Marketing Group | 48.65 | 9.9% | 111.5 |
| Trade Union Cooperative Insurance Co. | 18.52 | 7.1% | 13.0 |
| Saudi Printing & Packaging Co. | 17.17 | 6.9% | 75.9 |
| Alahli Takaful Co. | 38.56 | 6.6% | 19.2 |
| Tihama Advertising & Public Relations Co. | 35.70 | 5.2% | 37.7 |

Source: Tadawul

Upcoming General Assembly Meetings

| Company | Proposed Date |
|---|---------------|
| Saudi Industrial Development Co. | 16-Jul-17 |
| Fawaz Abdulaziz Alhokair Co. | 16-Jul-17 |
| Tihama Advertising and Public Relations Co. | 16-Jul-17 |
| Al Jouf Cement Co. | 17-Jul-17 |
| Al-Ahlia Insurance Co. | 17-Jul-17 |
| Ash-Sharqiyah Development Co. | 20-Jul-17 |

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of July 16, 2017

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- The TASI ended 0.1% higher to close at 7,313 on Thursday. The NOMU ended 1.3% lower to close at 3,596. TASI traded value totaled SAR 3.6bn and averaged SAR 3.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 57.2% of the daily traded value.
- Banks ended 0.8% higher while Materials ended 0.6% lower. Telecom ended flat. Media (up 9.1%) was the best performer. Among stocks, Saudi Research and Marketing Group (4210/RESEARCH AB), Trade Union Cooperative Insurance Co. (8170/TRDUNION AB), and Saudi Printing & Packaging Co. (4270/SPPC AB) led gainers.
- According to Business Monitor International (BMI) magazine report, Saudi Arabia had the second highest value of infrastructure projects, with a value of USD 328bn (SAR 1.2tn), being implemented. (Source: Mubasher)
- Saudi daily newspaper Al-Eqtisadiyah, citing Saudi Contractors Authority's (SCA) Chairman, reported the Saudization rate in the construction sector increased to 20%. (Source: Argaam)
- According to an official of the Ministry of Environment, Water, and Agriculture, the recently established government fish farming company signed deals with four local companies to invest SAR 800mn (USD 213mn) in fish farming projects. (Source: Zawya)
- Riyad REIT Fund (4330/Riyad REIT AB) announced it acquired a property in Riyadh for SAR 137mn (USD 36.4mn), which includes two components. One component of the property includes a luxury villa hotel, gym, women spa, and a high-end restaurant, while the second component includes commercial offices and food & beverage outlets. (Source: Tadawul)
- According to Reuters, the Saudi Arabian Mining Co. (1211/MAADEN AB) plans to develop the Mansoura and Massara gold mine. The engineering, procurement, and construction contract would be awarded in the fourth quarter. (Source: Argaam)
- The Saudi Arabian Oil Company and Nabors Industries' (NBR US) equally-owned joint venture, Saudi Aramco Nabors Drilling Co., would begin commercial operations in 3Q17. (Source: Argaam)
- The BoD of Ash-Sharqiyah Development Co. (6060/ASACO AB) decided to sell its entire cow herd as its dairy business has been incurring consecutive losses over the past five years amounting to SAR 31.5mn (USD 8.4mn). (Source: Tadawul)

Top 5 Losers

| Company | Last Close | % Change | Value (SAR mn) |
|------------------------------|------------|----------|----------------|
| Alujain corp. | 24.31 | -5.0% | 52.6 |
| Nama Chemicals Co. | 14.58 | -2.7% | 4.0 |
| Saudi Steel Pipe Co. | 16.99 | -2.5% | 6.2 |
| Southern Province Cement Co. | 50.00 | -2.4% | 6.1 |
| United Electronics Co. | 38.41 | -1.8% | 26.2 |

Most Active Stocks by Value (SAR mn)

| Company | Last Close | % Change | Value (SAR mn) |
|---|------------|----------|----------------|
| Al Rajhi Bank | 66.19 | 1.4% | 868 |
| Alinma Bank | 14.87 | 0.7% | 421 |
| Saudi Basic Industries Corp. | 101.37 | -0.1% | 343 |
| Dar Alarkan Real Estate Development Co. | 5.95 | 2.8% | 298 |
| Saudi Research and Marketing Group | 48.65 | 9.9% | 111 |

Source: Tadawul

PUBLIC Disclaimer:

This report has been prepared solely for information purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular investment or trading strategy. The data in the report is based on or derived from information generally available to the public from sources believed to be reliable. No representation or warranty can be given with respect to the accuracy or completeness of the information.

DAILY MARKETS OVERVIEW

JULY 16, 2017

GCC Stock Indices

| Index | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|-----------------|------------|---------|-------|-------|----------|
| Dubai (DFM) | 3,537 | 1.2 | 4.0 | 0.2 | 16.2 |
| Abu Dhabi (ADX) | 4,518 | 2.5 | 2.8 | -0.6 | 16.3 |
| Kuwait (KSE) | 6,788 | -0.1 | 1.6 | 18.1 | 18.5 |
| Qatar (QE) | 9,470 | 2.0 | 6.1 | -9.3 | 15.6 |
| Oman (MSM) | 5,121 | -0.9 | 0.0 | -11.4 | 12.9 |
| Bahrain (BSE) | 1,317 | 0.0 | 0.5 | 7.9 | 8.1 |
| DJMENA Index | 530 | 0.0 | 2.4 | 2.0 | NA |

Source: Bloomberg, Reuters

Global Stock Indices

| Index | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|-----------------------|------------|---------|-------|-------|----------|
| US (S&P 500) | 2,459 | 0.5 | 1.4 | 9.8 | 21.7 |
| US (NASDAQ 100) | 6,312 | 0.6 | 2.6 | 17.3 | 24.9 |
| UK (FTSE 100) | 7,378 | -0.5 | 0.4 | 3.3 | 32.1 |
| Germany (DAX) | 12,632 | -0.1 | 2.0 | 10.0 | 20.3 |
| France (CAC 40) | 5,235 | 0.0 | 1.8 | 7.7 | 19.4 |
| Russia (MICEX) | 1,961 | 0.0 | 2.5 | -12.2 | 6.8 |
| Japan (Nikkei) | 20,119 | 0.1 | 1.0 | 5.1 | 19.2 |
| Hong Kong (HSI) | 26,389 | 0.2 | 4.1 | 19.9 | 14.2 |
| South Korea (KOSPI) | 2,415 | 0.2 | 1.5 | 19.2 | 12.2 |
| China (SHCOMP) | 3,222 | 0.1 | 0.1 | 3.8 | 17.3 |
| India (NIFTY) | 9,886 | -0.1 | 2.3 | 20.8 | 23.2 |
| Brazil (IBOV) | 65,436 | 0.4 | 5.0 | 8.6 | 17.6 |
| Turkey (BIST 100) | 1,05,176 | 0.9 | 5.1 | 34.6 | 11.2 |
| Egypt (EGX30) | 13,823 | 0.0 | 3.4 | 12.0 | 12.2 |
| MSCI Emerging Markets | 1,047 | 0.6 | 4.4 | 21.4 | 15.9 |
| MSCI World | 1,948 | 0.6 | 1.8 | 11.2 | 21.7 |

Source: Bloomberg, Reuters

Commodities Prices

| Index | Last Close | 1 Day % | WTD % | YTD % | 1 Year % |
|------------------------|------------|---------|-------|-------|----------|
| Brent Crude (\$/bbl) | 48.9 | 1.0 | 4.7 | -13.9 | 2.7 |
| Natural Gas (\$/mmbtu) | 3.0 | 0.6 | 4.1 | -16.6 | -3.9 |
| Gold (\$/oz) | 1,229 | 0.9 | 1.3 | 6.6 | -8.1 |
| Silver (\$/oz) | 16.0 | 1.9 | 2.4 | 0.5 | -20.9 |
| Platinum (\$/oz) | 922 | 1.7 | 1.3 | 2.0 | -15.7 |
| Copper (\$/t) | 5,905 | 0.9 | 1.7 | 6.9 | 20.5 |
| Zinc (\$/t) | 2,786 | -0.7 | -0.2 | 8.9 | 26.6 |
| Lead (\$/mt) | 2,264 | -1.3 | -0.3 | 14.1 | 19.1 |
| Wheat (\$/bu) | 511 | -0.2 | -4.5 | 14.1 | 0.5 |
| Corn (\$/bu) | 376 | 1.8 | -4.1 | 1.3 | 0.3 |
| Sugar (\$/lb) | 14.3 | 1.1 | 1.1 | -23.3 | -21.1 |

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

| Country | Last Close | 1 Day Change | YTD Change | Spread* |
|--------------|------------|--------------|------------|---------|
| US | 1.30 | 0.00 | 0.31 | 0.00 |
| Saudi Arabia | 1.80 | 0.00 | -0.24 | 0.49 |
| UAE | 1.55 | 0.00 | 0.07 | 0.24 |
| Kuwait | 1.75 | 0.00 | 0.31 | 0.45 |
| Qatar | 2.48 | 0.01 | 0.70 | 1.17 |
| Bahrain | 2.38 | 0.00 | 0.28 | 1.07 |

Source: Reuters

NOTES: (1) Prices updated as of July 16, 2017 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable

GCC & Global Markets Update

- US markets ended in green on Friday. The S&P 500 and NASDAQ ended 0.5% and 0.6% higher respectively. Dow Jones Industrial ended 0.4% higher. In Europe, the UK and Germany ended 0.5% and 0.1% lower respectively, while France ended flat.
- Asian markets ended in green, except for India, on Friday. China and Japan both ended 0.1% higher. South Korea and Hong Kong both closed 0.2% higher. India ended 0.1% lower.
- GCC markets ended mixed on Thursday. Dubai and Abu Dhabi surged 1.2% and 2.5% respectively. Kuwait ended 0.1% lower while Qatar surged 2.0%. Oman ended 0.9% lower while Bahrain ended flat.
- US jobless claims for the week ended July 8 stood at 247K (prior: 250K; consensus: 246K). (Source: Econoday)
- Change in US CPI for the month of June, 2017 stood at 0.0% M/M, 1.6% Y/Y (prior: -0.1% M/M, 1.9% Y/Y; consensus: 0.1% M/M, 1.7% Y/Y). (Source: Econoday)
- According to Kuwait News Agency (KUNA), the Kuwaiti government awarded infrastructure projects worth KWD 215mn (USD 704mn) in South Matlaa. (Source: Trade Arabia)
- Credit rating agency Fitch Ratings upgraded GFH Financial Group's (GFH UH) long-term issuer default rating from "B-" to "B" with a "positive" outlook. The rating was supported by GFH's improved financial position following its strong capital position and reduction in associated legacy uncertainties. (Source: Trade Arabia)
- According to Oman Gas Company's official Twitter (TWTR US) account, the company signed deals worth USD 820mn (OMR 316mn) with the Ministry of Oil and Gas for the right to build, own, and operate liquid petroleum gas (LPG) extraction utilities. (Source: Mubasher)
- Bahrain-based Investcorp (INVCORP BI) entered into an agreement with US-based Lone Star Fund to sell its Spain-based Esmalglass to the US fund for an enterprise value of USD 692mn (BHD 261mn). (Source: Trade Arabia)
- According to CEO of Oman Oil Company (OOC), the company signed a collaboration agreement with Oman Telecommunications Co (OTEL OM) to provide telecom solutions tailored to meet the business requirements of OOC Group of Companies. (Source: Gulf Base)
- According to Reuters, Goldman Sachs Group (GS US), First Abu Dhabi Bank (FAB UH), HSBC (HSBA LN), and JPMorgan Chase & Co (JPM US) proposed to manage the listing of Abu Dhabi National Oil Company's retail unit. (Source: Mubasher)
- Muscat City Desalination Company (MCDC), which owns and operates the 42mn imperial gallons per day (MIGD) capacity Al Ghubra independent water project, is planning an initial public offering on the Muscat Securities Market (MSM) in 3Q17. The company has sought approval from the Capital Market Authority for floating shares on MSM. (Source: Gulf Base)

Coming Up

- Change in China GDP for 2Q17 (prior: 1.3% Q/Q, 6.9% Y/Y; consensus: 6.8% Y/Y) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended July 14 (prior: -7.6mn barrels) will be announced on July 19. (Source: Econoday)
- US jobless claims for the week ended July 15 (prior: 247K; consensus: 245K) will be announced on July 20. (Source: Econoday)



Contacts

RESEARCH & ADVISORY DEPARTMENT

Research&Advisory@FransiCapital.com.sa

SAUDI FRANSI CAPITAL

Call Centre

800-125-9999

Website

www.sfc.sa

SAUDI FRANSI CAPITAL (CLOSED JOINT STOCK COMPANY OWNED BY BANQUE SAUDI FRANSI)

C.R. 1010231217 - Paid Up Capital 500,000,000 S.R. - Capital Market Authority 11153-37

Head Office: 8092 King Fahd Road - Riyadh 12313-3735 - Kingdom of Saudi Arabia

Mailing Address: P.O. Box 23454 - Riyadh 11426

Tel: +966 11 282 6666 - Fax: +966 11 282 6667

800 124 3232 | www.sfc.sa C.R. 1010231217, PO Box 23454, Riyadh 11426,

Saudi Arabia, Head Office Riyadh

PUBLIC

Disclaimer:

This report has been prepared solely for information purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular investment or trading strategy. The data in the report is based on or derived from information generally available to the public from sources believed to be reliable. No representation or warranty can be given with respect to the accuracy or completeness of the information.